

# **Economic Diversification and Comparative Advantage: A Report on Gross State Product In 2000**

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## KEY FINDINGS

- In 2000, Missouri had the 5<sup>th</sup> most diversified economy in the United States.
- This is indicative of a robust economy, better able to withstand and recover from significant unfavorable changes in any one sector.
- Missouri's economy closely mirrors the national economy and thus national trends are reflected in Missouri trends.
- Minnesota, Illinois, Pennsylvania, California and Missouri had the most diversified economies in 2000.
- States with the most dependent economies were the District of Columbia, Alaska, Wyoming, Nevada and Delaware.
- Missouri's economy was specialized in Communications (ranked 6<sup>th</sup> nationally), Wholesale Trade (ranked 11<sup>th</sup> nationally), Manufacturing of Non-Durable goods (ranked 15<sup>th</sup> nationally), Transportation and Utilities (ranked 15<sup>th</sup> nationally), Construction (ranked 16<sup>th</sup> nationally) Business and Professional services (ranked 20<sup>th</sup> nationally) and Durable Goods Manufacturing (ranked 22<sup>nd</sup> nationally).

# **Economic Diversification and Comparative Advantage: *A Report on Gross State Product In 2000***

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## **I OVERVIEW AND METHODS**

Given the dynamic nature of the global economy, decision-makers need to understand the weaknesses and strengths of their state's economic base. To do this they must not only identify and take advantage of areas of comparative economic advantage, but also recognize areas of economic vulnerability and take steps to mitigate adverse effects of changes in the global economy. One way to achieve this is to ensure a well diversified economy in terms of industry mix.

A state's economic base is measured in terms of Gross State Product (GSP). The gross state product for each state is measured as the sum of the gross state product of each of the industries in the state. In concept, an industry's GSP or its value added, is equal to its gross output (sales or receipts and other operating income, commodity taxes and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other U.S. industries or imported). Thus, GSP is often considered the state counterpart of the national Gross Domestic Product (GDP).

In this analysis, GSP data from 2000 were obtained from the Bureau of Economic Analysis, U.S. Department of Commerce. GSP and GDP were reported in 2000 current U.S. dollars. GSP was disaggregated into fourteen major industry divisions, based on the Standard Industrial Classification System: Agriculture, Forestry and Fishing; Amusement, Personal, Recreational and Repair services; Business and Professional services; Communications; Construction; Durable Manufacturing; Finance, Insurance and Real estate; Non-durable manufacturing; Federal Government; Mining, Oil and Gas; Retail Trade; State and Local Government; Transportation and Utilities; and Wholesale Trade.

Two measures are used to identify economic diversity and specialization. The *Standardized Diversification Index* (SDI) is used to describe the degree of deviation between GSP and GDP for a given state. It is assumed that the national mix of GDP across the 14 industries represents a diversified economy, and states are compared to this benchmark.

The nation has a SDI score of 0.0. A state with a similar score indicates that the GSP mix is identical to that of the nation. Scores greater than 0.0 indicate the number of standard deviations away from the national GDP mix, indicating less diversification and greater dependence on a few industries. In short, the SDI measures the degree of similarity between a state's GSP mix and the national GDP mix (which is assumed to represent a diversified economy).

$$RGDP = \frac{GDP_{ti}}{GDP_t}$$

$$RGSP = \frac{GSP_{ri}}{GSP_r}$$

$$DI_r = | (RGSP) - (RGDP) |$$

$$DI = \left( \sum_{i=1}^n |DI_r| \right)$$

$$SDI = \left( \frac{(DI - \mu)}{s} \right)$$

Where:

RGDP = ratio of gross domestic product

RGSP = ratio of gross state product

n = number of industries

i = industry

μ = national diversification index (0.0)

σ = standard deviation of states diversification indices

r = region

t = national

Specialization ratios (SR), also known as location quotients, are used to describe the dispersion of industry GSP across the United States. SRs measure a state's GSP concentration in a given industry relative to the national average.

SRs greater than 1.0 indicated that a state was relatively more specialized in an industry relative to the nation as a whole. This may be a sign of comparative advantage in that industry. SRs less than 1.0 signify that the state was less specialized relative to the nation as a whole in that industry, and this may be an area for potential growth.

It is important to note that SRs measure the proportion of industry GSP relative to the national average, and **not** total dollar GSP. Therefore although California may have the largest dollar GSP in the communications industry, it may account for only a small percentage of total GSP, leading to a small SR.

$$SR_i = \left( \frac{\left( \frac{GSP_i}{GSP} \right)}{\left( \frac{GDP_i}{GDP} \right)} \right)$$

where:

GSP = gross state product

GDP = gross domestic product

i = industry

## II ECONOMIC DIVERSIFICATION

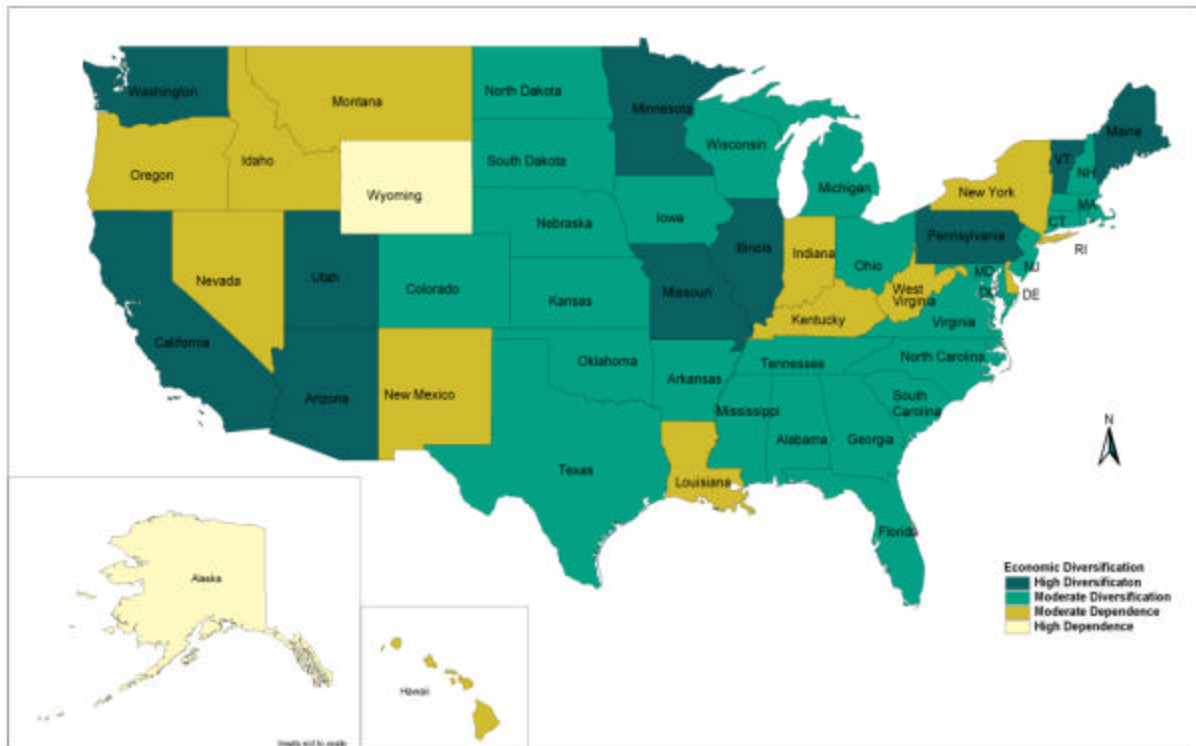
In 2000 Missouri shifted from the 6<sup>th</sup> most diversified state in 1999 to the 5<sup>th</sup> most diversified state in 2000, with a SDI of 0.77. This is indicative of a robust economy, able to withstand major changes in any sector of its economy. Any changes in the national economy will result in very similar changes in the Missouri economy.

Minnesota had the most diversified economy in 2000, with a SDI of 0.63. This was followed by Illinois (SDI = 0.67), Pennsylvania (SDI = 0.70), California (SDI = 0.74) and Missouri (SDI = 0.77).

The least diversified economies were: the District of Columbia which is heavily dependent on the Federal Government and Business services sectors (SDI = 6.02); Alaska, which is mainly dependent on mining and transportation sectors (SDI = 4.59); Wyoming, which depends mainly on the mining and finance, insurance and real estate sectors (SDI = 4.2); Nevada, which is heavily dependent on the amusement, personal and recreational services as well as finance, insurance and real estate (SDI = 2.98); and Delaware, which relies heavily on finance, insurance and real estate and business services sectors (SDI = 2.91).

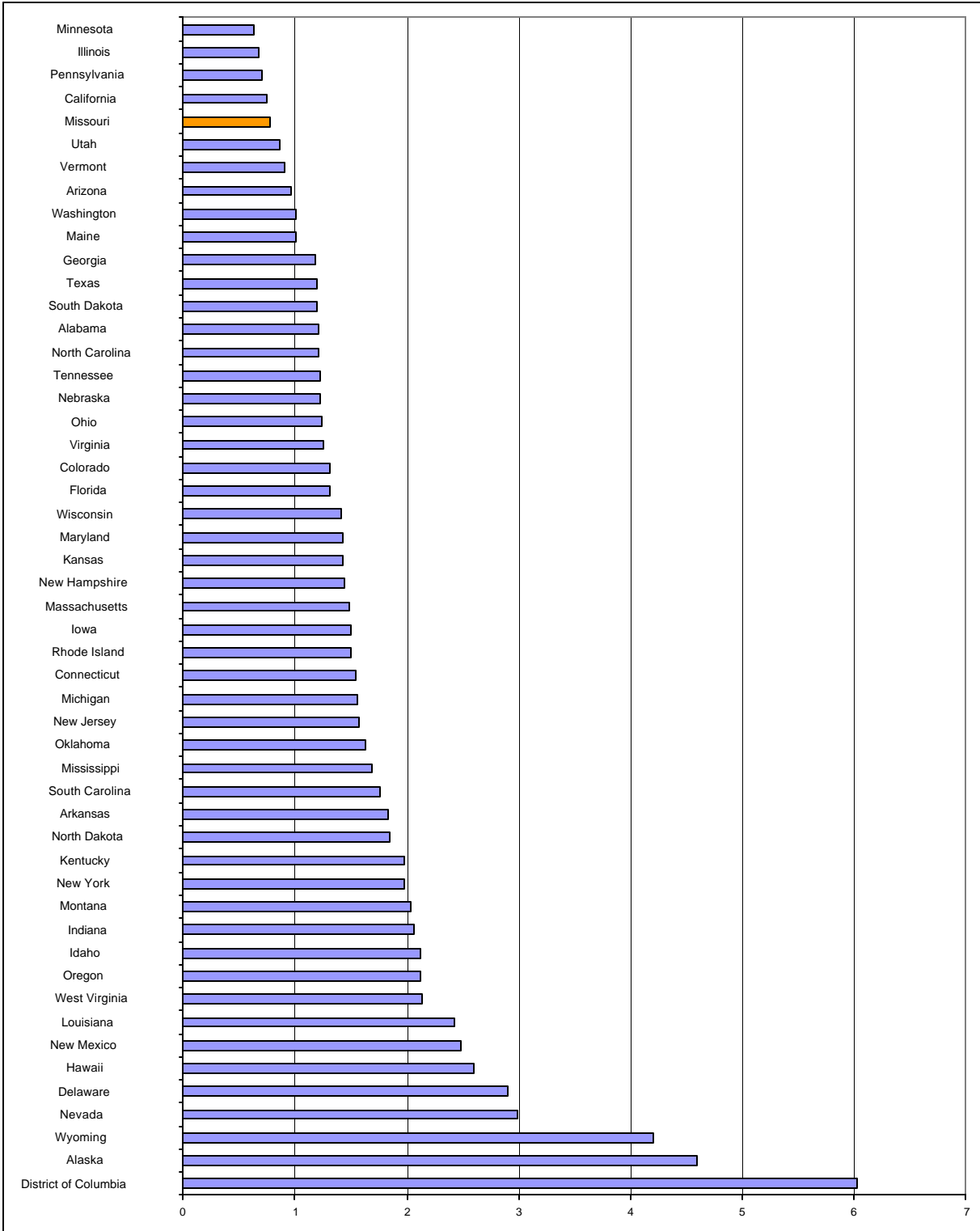
Most states were moderately diversified as compared to the national average.

**Map 2.1**  
**Economic Diversification**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

**Chart 2.1**  
**Standardized Economic Diversification Indices, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

**Table 2.1**  
**Economic Diversification by State, 2000**

STATE	SDI	TOTAL GSP (MILLIONS 2000\$)
Minnesota	0.63	184,766
Illinois	0.67	467,284
Pennsylvania	0.70	403,985
California	0.74	1,344,623
<b>Missouri</b>	<b>0.77</b>	<b>178,845</b>
Utah	0.86	68,549
Vermont	0.90	18,411
Arizona	0.96	156,303
Maine	1.00	35,981
Washington	1.00	219,937
Georgia	1.19	296,142
South Dakota	1.20	23,192
Texas	1.20	742,274
Alabama	1.21	119,921
North Carolina	1.21	281,741
Tennessee	1.22	178,362
Nebraska	1.23	56,072
Ohio	1.25	372,640
Virginia	1.25	261,355
Colorado	1.31	167,918
Florida	1.32	472,105
Maryland	1.42	186,108
Wisconsin	1.42	173,478
Kansas	1.43	85,063
New Hampshire	1.43	47,708
Massachusetts	1.48	284,934
Iowa	1.50	89,600
Rhode Island	1.50	36,453
Connecticut	1.54	159,288
Michigan	1.56	325,384
New Jersey	1.56	363,089
Oklahoma	1.62	91,773
Mississippi	1.69	67,315
South Carolina	1.75	113,377
Arkansas	1.83	67,724
North Dakota	1.84	18,283
Kentucky	1.98	118,508
New York	1.98	799,202
Montana	2.03	21,777
Indiana	2.06	192,195
Idaho	2.12	37,031
Oregon	2.12	118,637
West Virginia	2.13	42,271
Louisiana	2.43	137,700
New Mexico	2.49	54,364
Hawaii	2.60	42,364
Delaware	2.91	36,336
Nevada	2.98	74,745
Wyoming	4.20	19,294
Alaska	4.59	27,747
District of Columbia	6.02	59,397
<b>United States</b>	<b>0.00</b>	<b>9,941,552</b>

Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.



### III ECONOMIC SPECIALIZATION

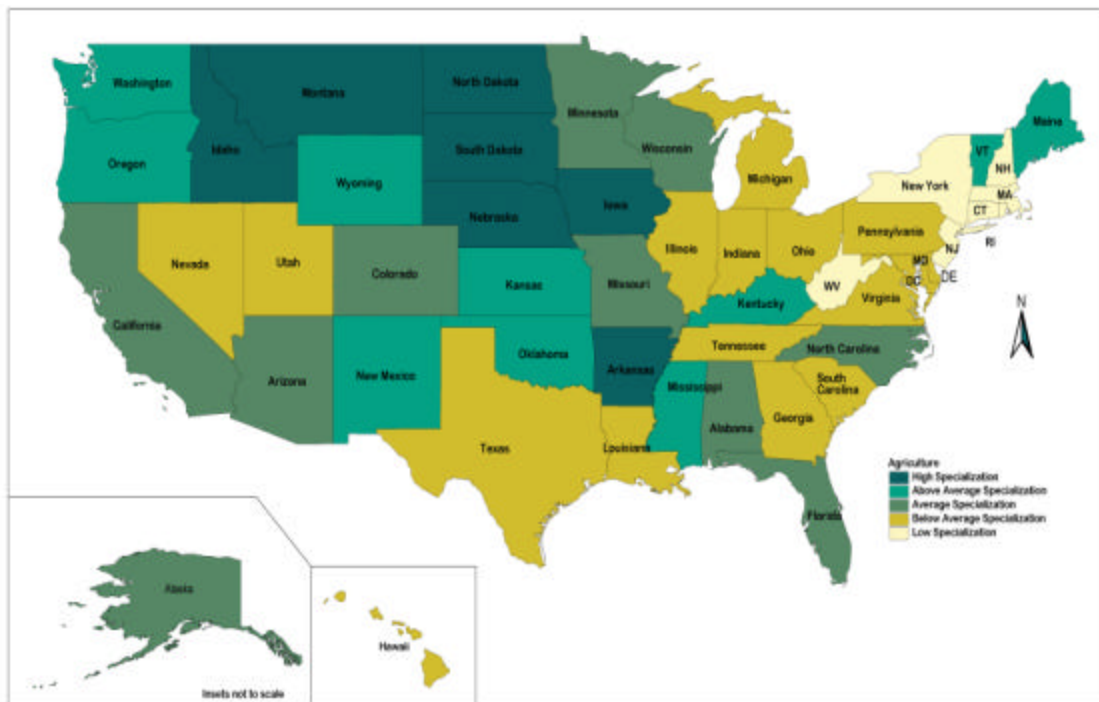
#### Agriculture

In 2000, Missouri was 26<sup>th</sup> most specialized in the agriculture, forestry and fishing sector (SR = 1.03), indicating average specialization in relation to GSP.

South Dakota was the most specialized state in the agriculture sector, with a SR of 5.51. North Dakota (SR = 3.81), Idaho (SR = 3.70), Nebraska (SR = 3.23), and Iowa (SR = 3.01), Montana (SR = 2.85) and Arkansas (SR = 2.43) were also highly specialized. These are mainly located in the north central region of the United States. Most states have below average specialization in agriculture.

The District of Columbia (SR = 0.03), New York (SR = 0.31) and New Jersey (SR = 0.39) in the northeast, were the least specialized states in agriculture.

**Map 3.1**  
**Agriculture**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

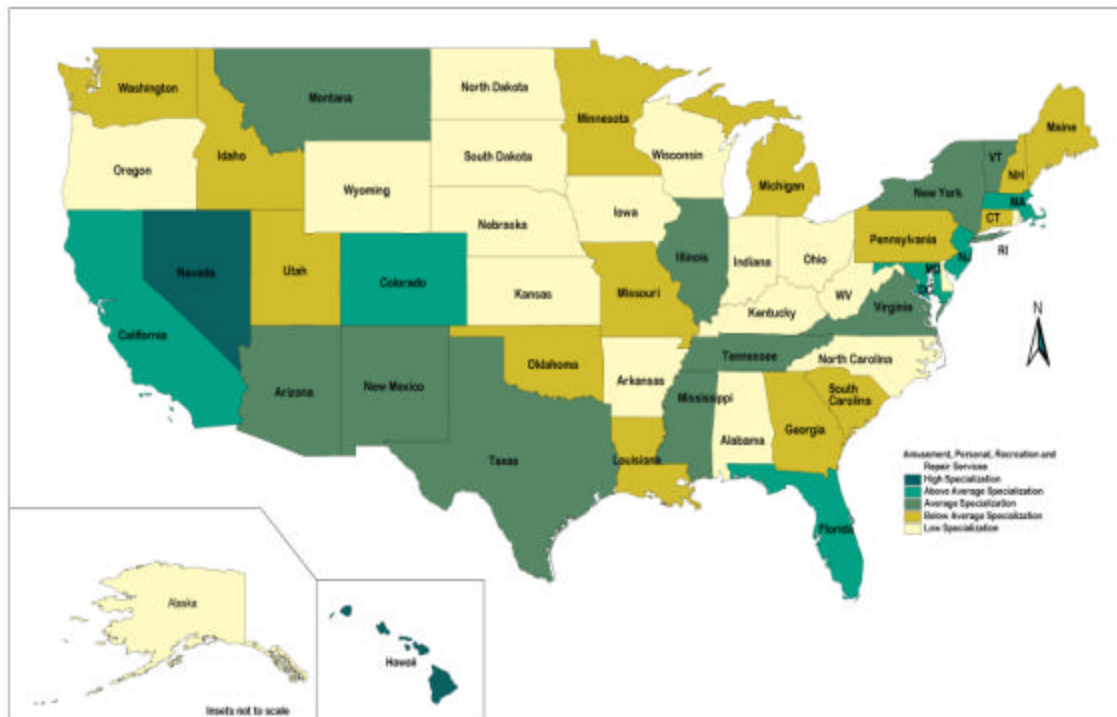
## Amusement, Personal, Recreation, & Repair Services

In 2000, Missouri was 22<sup>nd</sup> most specialized in the amusement, personal, recreation, & repair services sector (SR = 0.93), indicating below average specialization in relation to GSP.

As would be expected, Nevada (SR = 3.20) was the most specialized state in the amusement, personal, recreation and repair services sector. The District of Columbia (SR = 1.61), Hawaii (SR = 1.48), California (SR = 1.27), Florida (SR = 1.23), Maryland (SR = 1.22), Colorado (SR = 1.20), Massachusetts (SR = 1.16) and New Jersey (SR = 1.12) all had above average specialization in this sector. Most states had low specialization in this sector.

Delaware (SR = 0.63), Arkansas (SR = 0.63) and Kentucky (SR = 0.63) were least specialized in this sector.

**Map 3.2**  
**Amusement, Personal, Recreation, & Repair Services**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

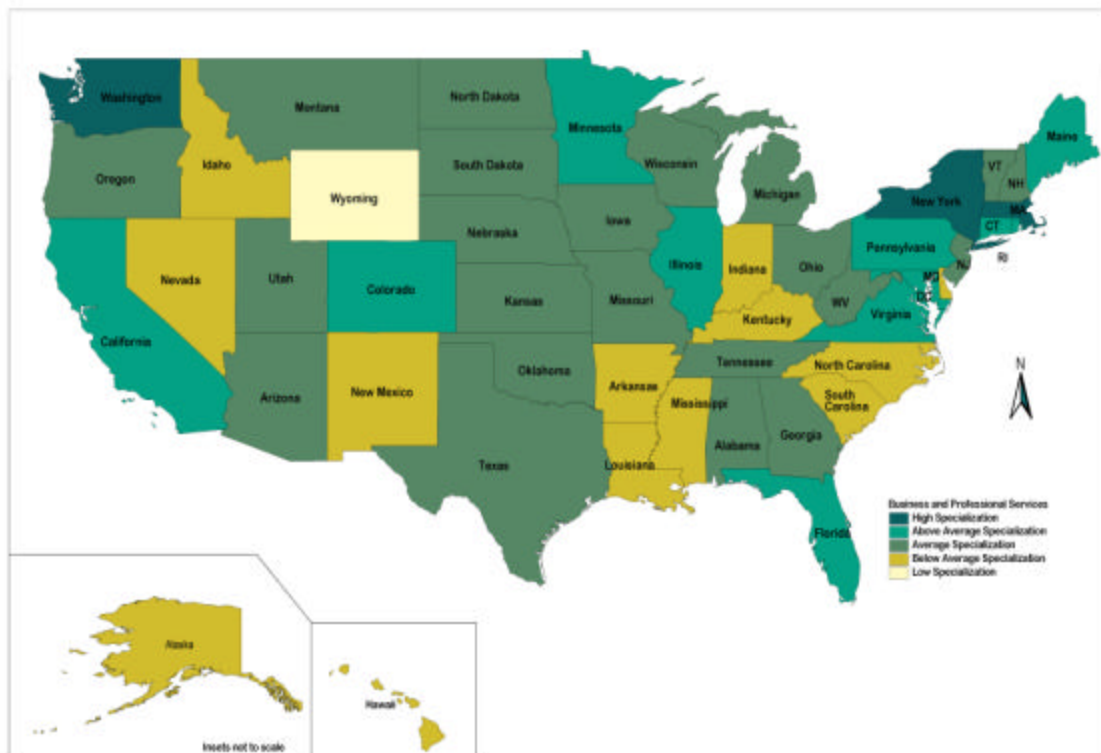
## Business & Professional services

In 2000, Missouri was 20<sup>th</sup> most specialized in the business & professional services sector (SR = 0.99), indicating average specialization in relation to GSP.

States that were most specialized in the business & professional services sector were The District of Columbia (SR = 1.83), Massachusetts (SR = 1.34), Washington (SR = 1.23) and New York (SR = 1.13). These states are mainly clustered in the northeastern part of the United States. The majority of states had average specialization in the business and professional services sector.

Wyoming (SR = 0.46) was the least specialized in this sector, and the only state with low specialization.

**Map 3.3**  
**Business & Professional services**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

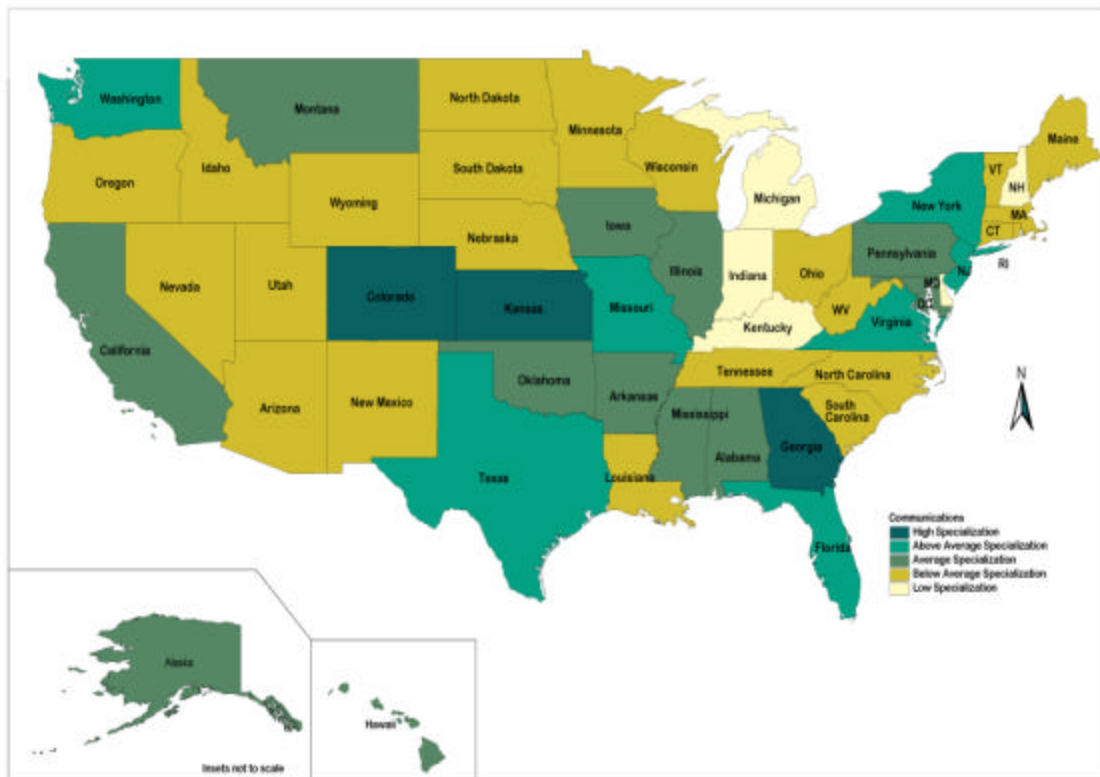
## Communications

In 2000, Missouri was 6<sup>th</sup> most specialized in the communications sector (SR = 1.30), indicating above average specialization in relation to GSP.

States that were most specialized in the communications sector were Colorado (SR = 2.61), Kansas (SR = 2.44) and Georgia (SR = 1.77). These were followed by Virginia (SR = 1.45), Texas (SR = 1.35), Missouri (SR = 1.30), New Jersey (SR = 1.29), Washington (SR = 1.20), New York (SR = 1.16) and the District of Columbia (SR = 1.12).

Indiana (SR = 0.46), Delaware (SR = 0.49), New Hampshire (SR = 0.51) Kentucky (SR = 0.53) and Michigan (SR = 0.55) were least specialized in this sector.

**Map 3.4**  
**Communications**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

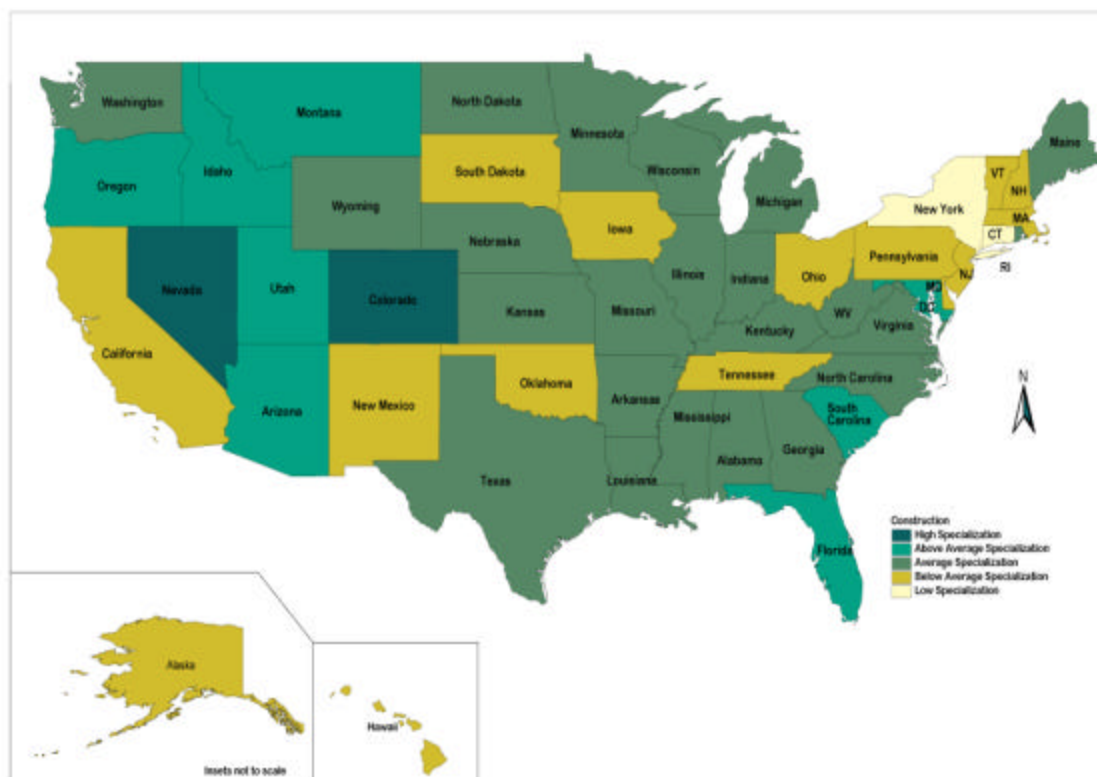
## Construction

In 2000, Missouri was 16<sup>th</sup> most specialized in the construction sector (SR = 1.10), indicating average specialization in relation to GSP.

Nevada (SR = 2.12) and Colorado (SR = 1.42) were the only states with high specialization in the construction Sector. Idaho (SR = 1.40), Utah (SR = 1.38), South Carolina (SR = 1.29), Arizona (SR = 1.27), Maryland (SR = 1.21), Montana (SR = 1.20), Florida (SR = 1.15) and Oregon (SR = 1.15) were also relatively highly specialized in this sector.

The District of Columbia (SR = 0.21), New York (SR = 0.70), Connecticut (SR = 0.75) and New Jersey (SR = 0.84) were least specialized in this sector.

**Map 3.5**  
**Construction**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

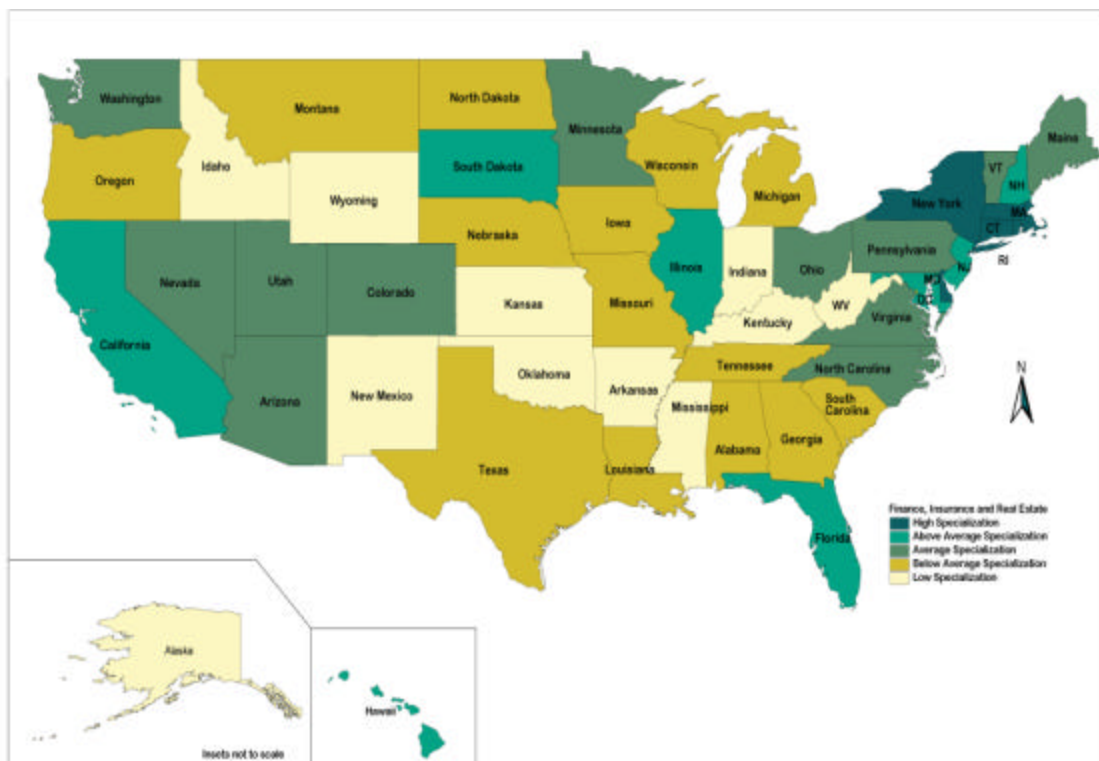
## Finance, Insurance and Real Estate

In 2000, Missouri was 32<sup>nd</sup> most specialized in the finance, insurance and real estate sector (SR = 0.79), indicating below average specialization in relation to GSP.

States that were most specialized in the finance, insurance and real estate sector were Delaware (SR = 1.96), New York (SR = 1.67), Rhode Island (SR = 1.52), Connecticut (SR = 1.52) and Massachusetts (SR = 1.26).

Alaska (SR = 0.53), West Virginia (SR = 0.58) and Kentucky (SR = 0.59) were least specialized in this sector.

**Map 3.6**  
**Finance, Insurance and Real Estate**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.



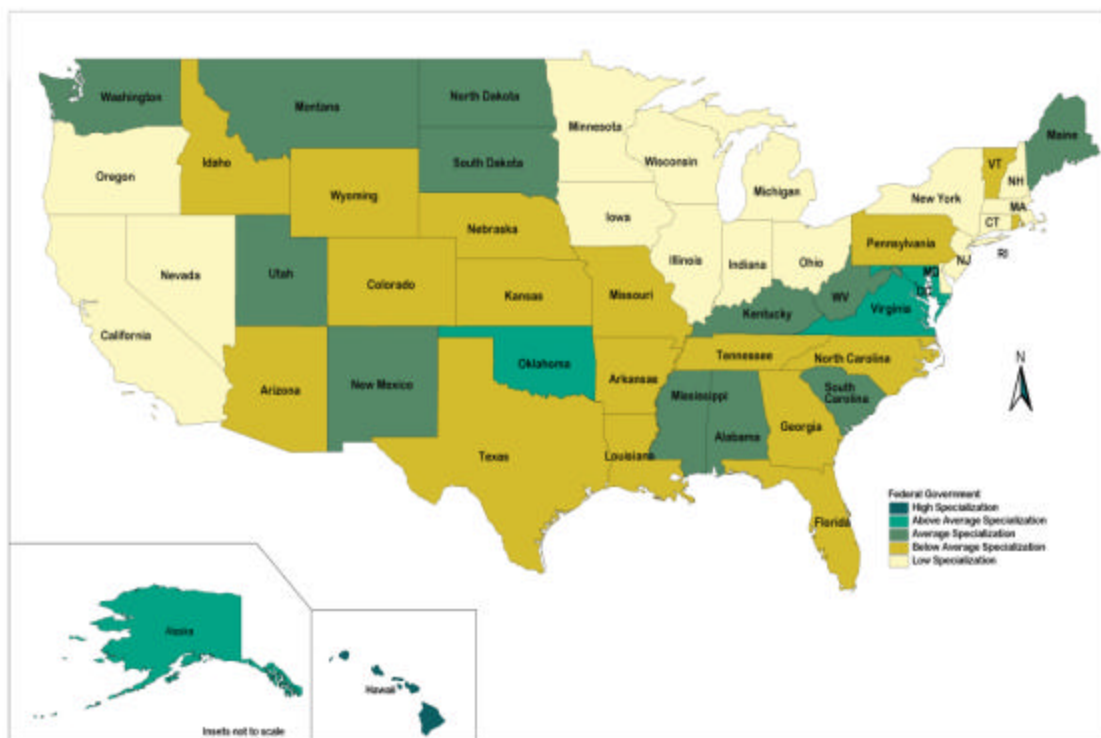
## Government – Federal Civilian and Military

In 2000, Missouri was 32<sup>nd</sup> most specialized in the federal government sector (SR = 0.99), indicating below average specialization in relation to GSP.

The District of Columbia (SR = 10.23) and Hawaii (SR = 3.83), were the most specialized states in the federal government sector. Virginia (SR = 2.89), Alaska (SR = 2.87), Maryland (SR = 2.68) and Oklahoma (SR = 1.80) all had above average specialization.

Michigan (SR = 0.42), New Hampshire (SR = 0.48) and New York (SR = 0.49) were least specialized in this sector.

**Map 3.7**  
**Federal Government**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

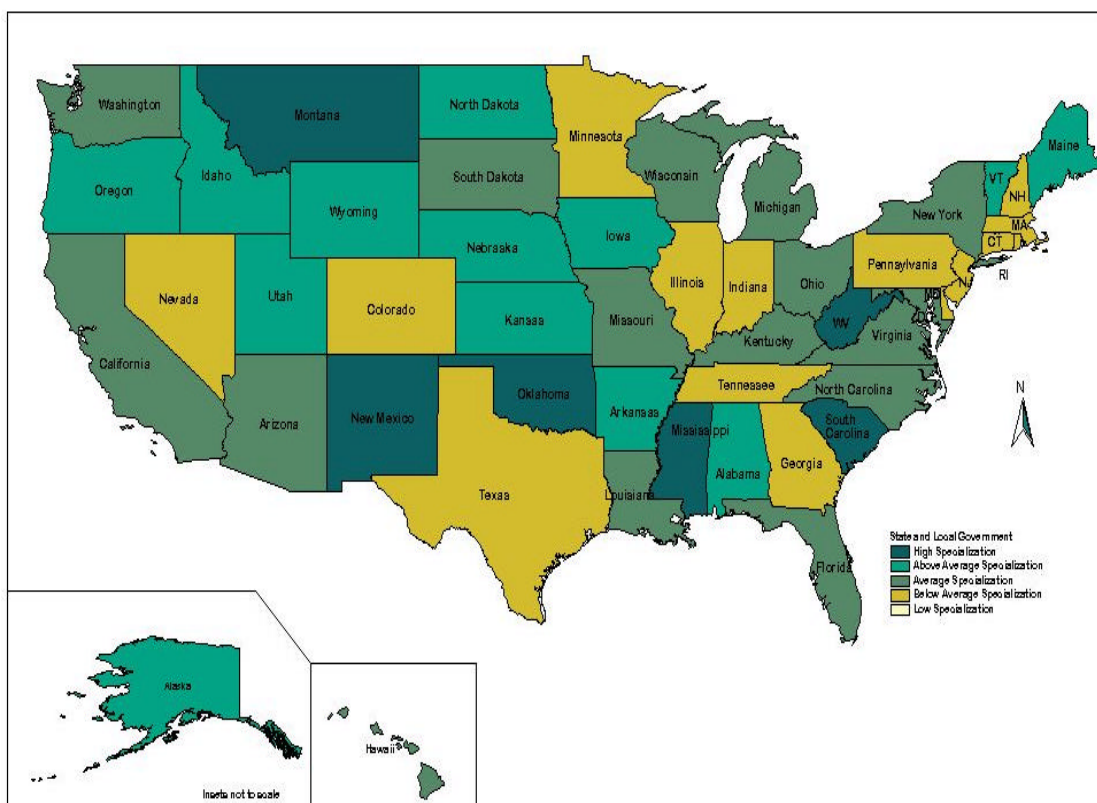
## Government - State and Local

Missouri was 35<sup>th</sup> most specialized in the state and local government sector (SR = 0.98) in 2000, indicating average specialization in relation to GSP.

States that were most specialized in state and local government sector were West Virginia (SR = 1.38), Mississippi (SR = 1.34), New Mexico (SR = 1.32), South Carolina (SR = 1.31), Montana (SR = 1.30) and Oklahoma (SR = 1.21).

The District of Columbia (SR = 0.37), had low specialization in this sector.

**Map 3.8**  
**State and Local government**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.



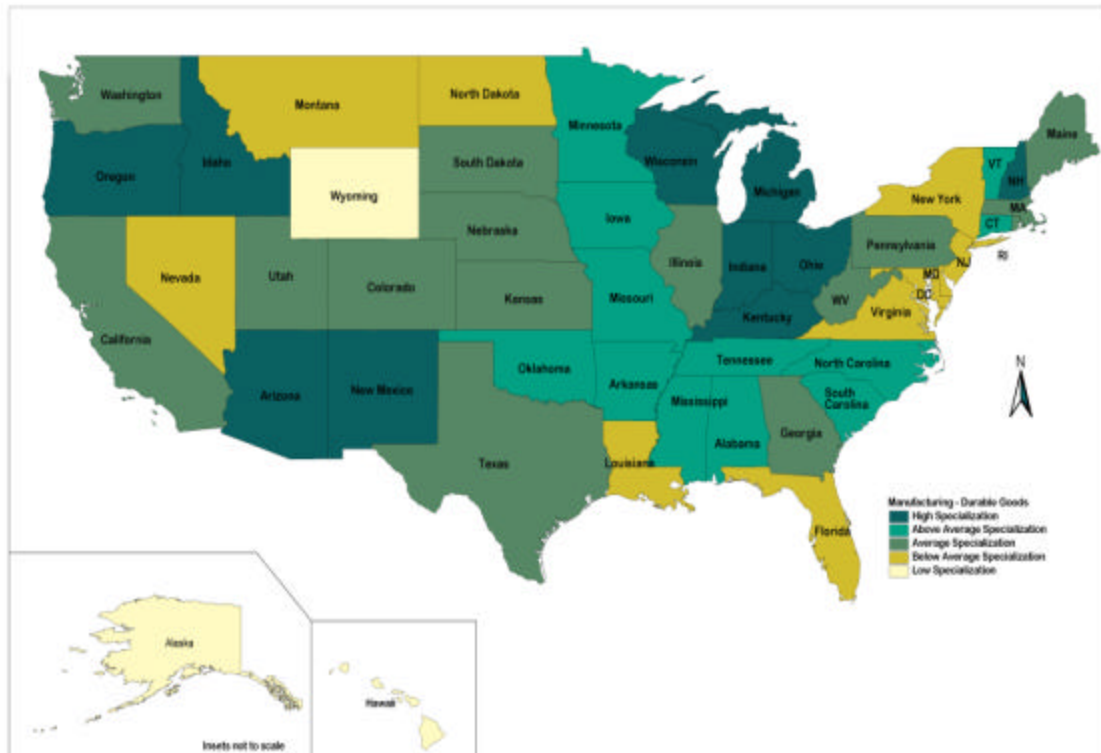
## Manufacturing - Durable goods

In 2000, Missouri was 22<sup>nd</sup> most specialized in the durable goods sector (SR = 1.05), indicating above average specialization in relation to GSP.

Oregon (SR = 2.44), Indiana (SR = 2.33), Michigan (SR = 2.15), Idaho (SR = 1.92), Ohio (SR = 1.74), Kentucky (SR = 1.74), Wisconsin (SR = 1.65), New Hampshire (SR = 1.63), New Mexico (SR = 1.59) and Arizona (SR = 1.44) were the most specialized States in the durable goods manufacturing sector.

The District of Columbia (SR = 0.03), Hawaii (SR = 0.06), Alaska (SR = 0.08) and Wyoming (SR = 0.15) were least specialized in this sector.

**Map 3.9**  
**Manufacturing - Durable goods**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

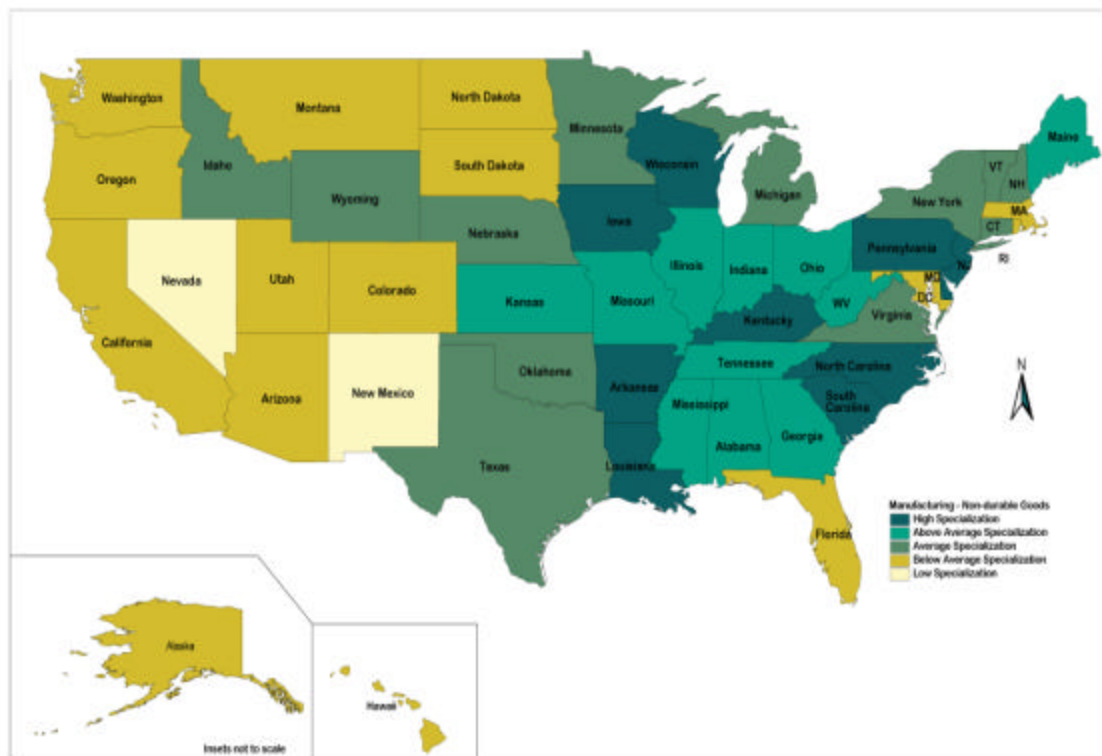
## Manufacturing – Non-durable goods

In 2000, Missouri was 15<sup>th</sup> most specialized in the non-durable manufacturing goods sector (SR = 1.10), indicating above average specialization in relation to GSP.

North Carolina (SR = 2.06), Louisiana (SR = 1.67), South Carolina (SR = 1.63), Kentucky (SR = 1.63), Delaware (SR = 1.61), Arkansas (SR = 1.58), New Jersey (SR = 1.56), Wisconsin (SR = 1.55), Iowa (SR = 1.51) and Pennsylvania (SR = 1.44) were the most specialized States in the non-durable manufacturing goods sector. Majority of the states (14) had below average specialization.

The District of Columbia (SR = 0.17), Nevada (SR = 0.25) and New Mexico (SR = 0.29) were least specialized in this sector.

**Map 3.10**  
**Manufacturing – Non-durable goods**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

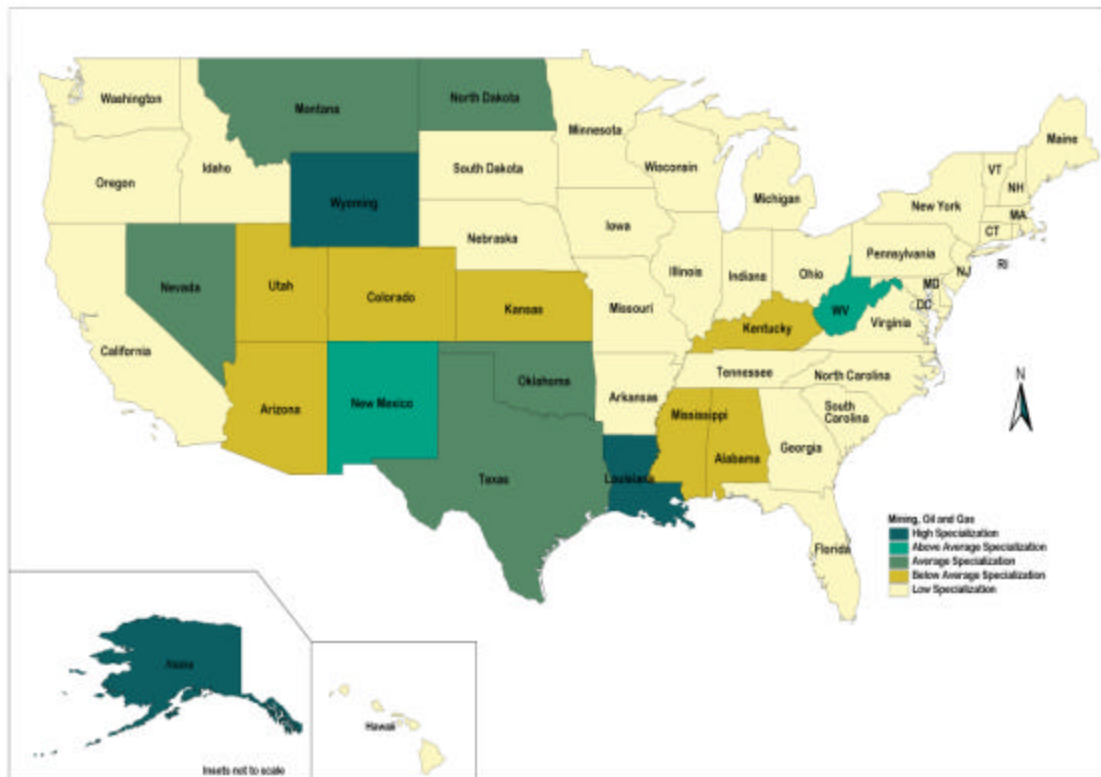
## Mining

In 2000, Missouri was 31<sup>st</sup> most specialized in the mining sector (SR = 0.19), indicating low specialization in relation to GSP.

Wyoming (SR = 19.05), Alaska (SR = 17.03) and Louisiana (SR = 10.52), were the most specialized States in the mining sector. New Mexico (SR = 7.27) and West Virginia (SR = 5.30) had above average specialization. Most states had low specialization in this sector.

Delaware (SR = 0.00), Maine (SR = 0.01) and Rhode Island (SR = 0.02) were least specialized in this sector.

**Map 3.11**  
**Mining**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

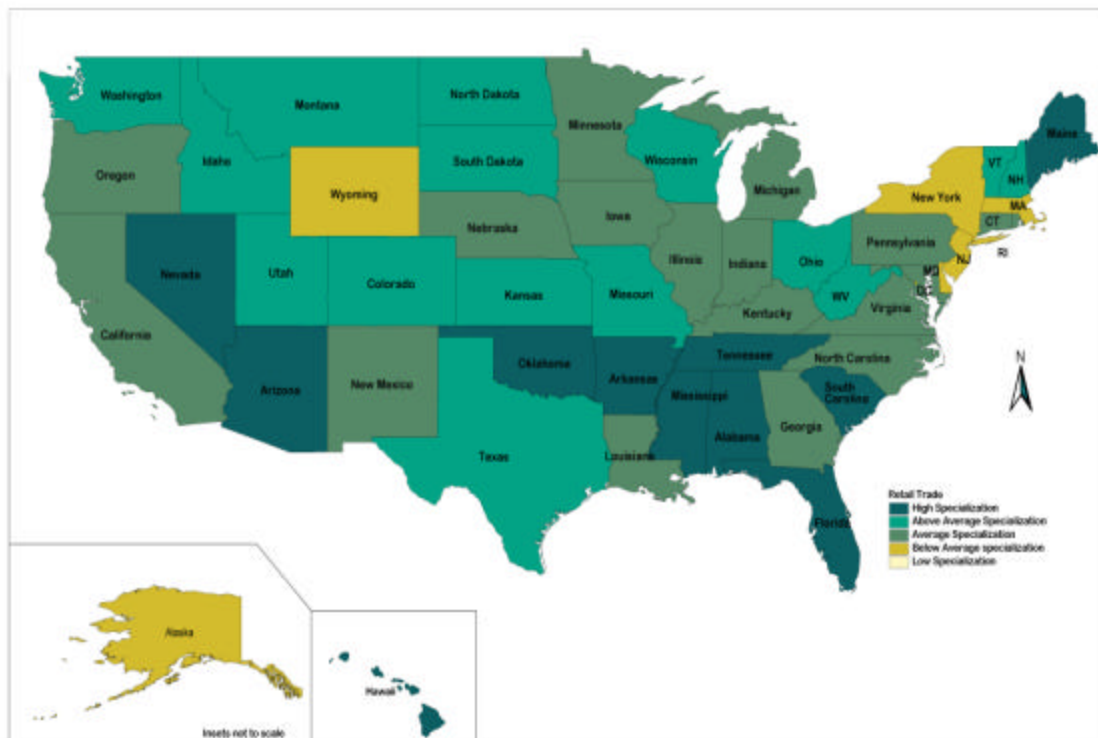
## Trade - Retail

In 2000, Missouri was 23<sup>rd</sup> most specialized in the retail trade sector (SR = 1.06), indicating above average specialization in relation to GSP.

States that were most specialized in the retail trade sector Maine (SR = 1.31), Arkansas (SR = 1.29), Florida (SR = 1.25), Tennessee (SR = 1.24), Hawaii (SR = 1.22), Mississippi (SR = 1.20), South Carolina (SR = 1.18), Nevada (SR = 1.18), Arizona (SR = 1.17), Oklahoma (SR = 1.13) and Alabama (SR = 1.13). Most states had average specialization in retail trade.

The District of Columbia (SR = 0.31) had low specialization in this sector.

**Map 3.12**  
**Retail trade**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

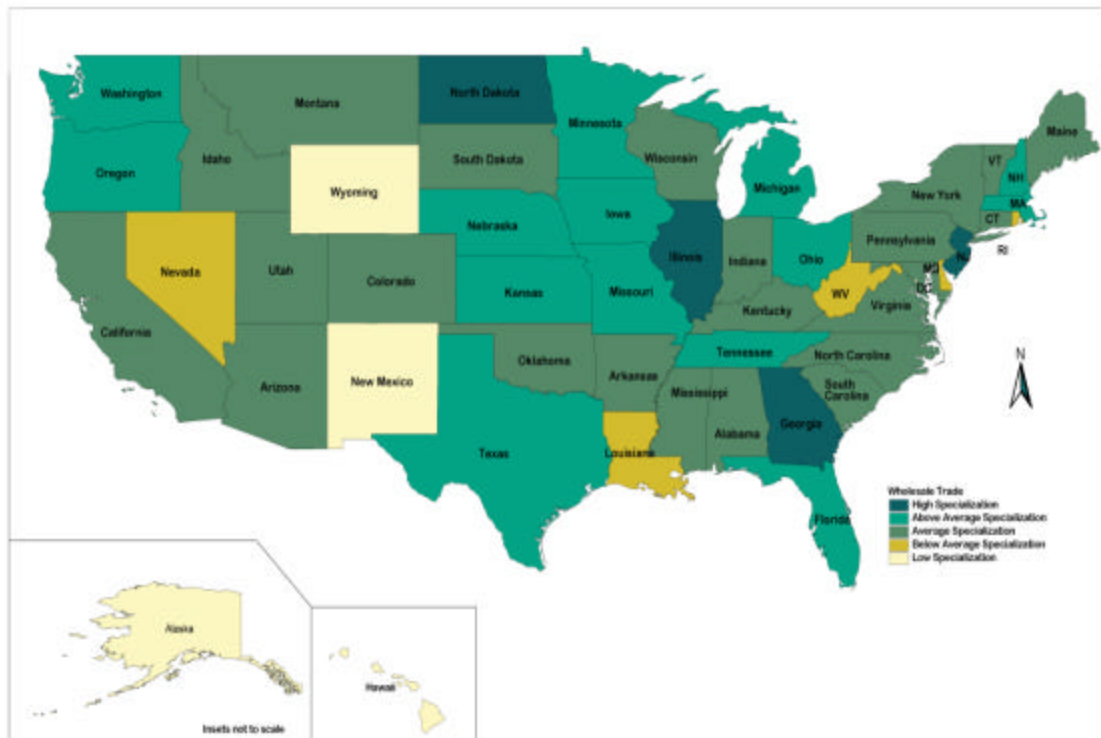
## Trade – Wholesale

In 2000, Missouri was 11<sup>th</sup> most specialized in wholesale trade sector (SR = 1.07), indicating above average specialization in relation to GSP.

States that were most specialized in wholesale trade sector New Jersey (SR = 1.36), Georgia (SR = 1.32), North Dakota (SR = 1.26) and Illinois (SR = 1.17). Most states, had average specialization in wholesale trade.

The District of Columbia (SR = 0.19), Alaska (SR = 0.44), Hawaii (SR = 0.56) Wyoming (SR = 0.56) and New Mexico (SR = 0.59) were least specialized in this sector.

**Map 3.13**  
**Wholesale trade**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

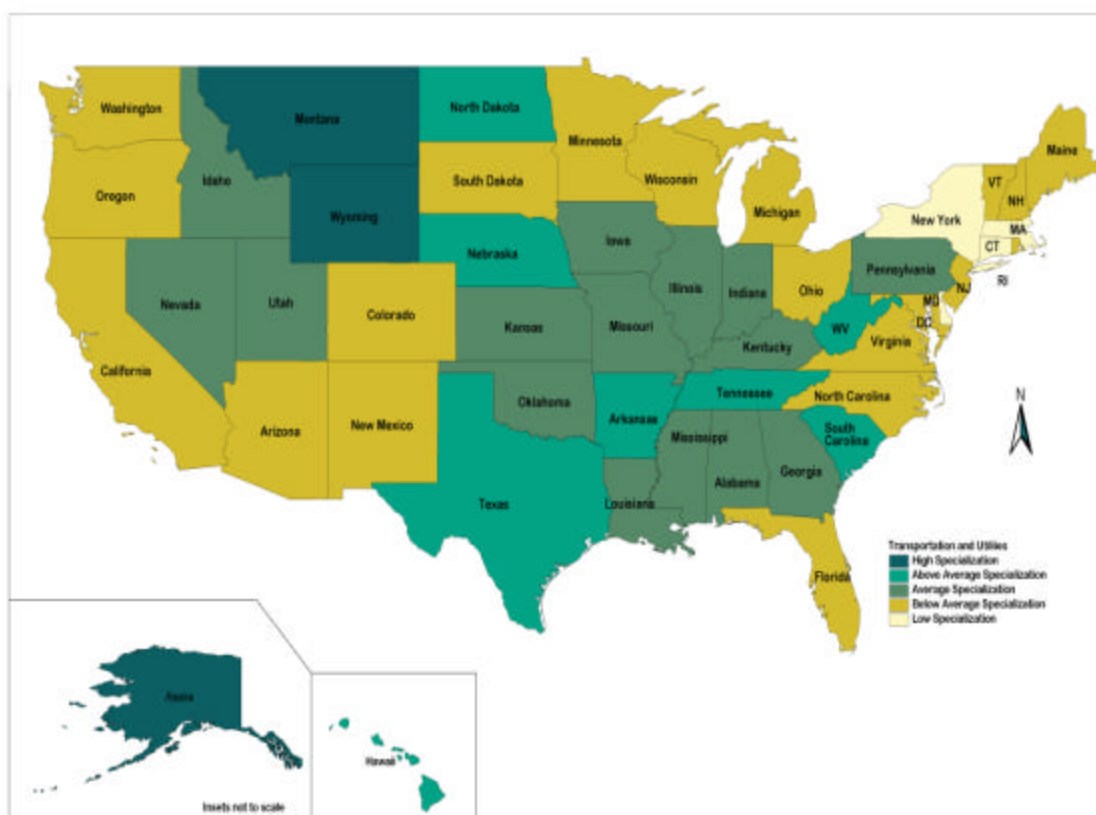
## Transportation & Utilities

In 2000, Missouri was 15<sup>th</sup> most specialized in the transportation & utilities sector (SR = 1.20), indicating average specialization in relation to GSP.

Alaska (SR = 2.41), Wyoming (SR = 2.16) and Montana (SR = 1.73) were the most specialized States in the transportation & utilities sector. Nebraska (SR = 1.62 West Virginia (SR = 1.60), Tennessee (SR = 1.52), North Dakota (SR = 1.42), Arkansas (SR = 1.41), Hawaii (SR = 1.38), Texas (SR = 1.35) and South Carolina (SR = 1.32) had above average specialization. Most states however were below average in specialization.

The District of Columbia (SR = 0.36), Connecticut (SR = 0.67) and Massachusetts (SR = 0.68) were least specialized in this sector.

**Map 3.14**  
**Transportation & Utilities**  
**Economic Specialization, 2000**



Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

## IV SUMMARY AND IMPLICATIONS

The United States has recently undergone an economic recession. In order to withstand and to rapidly recover from similar changes in the economy, it is an advantage to have a diversified state economy, which is not dependent on one or a few sectors. Given the comparative specialization of each state, it is important that decision-makers identify the strengths and weaknesses in their respective economies and take the necessary steps to ensure a well diversified economy.

In 2000, Missouri had the 5<sup>th</sup> most diversified economy in the United States. This indicates a robust economy, better able to withstand and recover from significant unfavorable changes any one sector. This indicates that Missouri's economy closely mirrors the national economy and thus national trends are indicative of Missouri trends.

Minnesota (SDI = 0.63), Illinois (SDI = 0.67), Pennsylvania (SDI = 0.70), California (SDI=0.74) and Missouri (SDI = 0.77) had the most diversified economies in 2000.

States with the most dependent economies were the District of Columbia (SR = 6.02), Alaska (SR = 4.59), Wyoming (SR = 4.20), Nevada (SR = 2.98) and Delaware (SR = 2.91).

Missouri's economy was specialized in Communications (ranked 6<sup>th</sup> nationally), Wholesale Trade (ranked 11<sup>th</sup> nationally), Manufacturing of Non-Durable goods (ranked 15<sup>th</sup> nationally), Transportation and Utilities (ranked 15<sup>th</sup> nationally), Construction (ranked 16<sup>th</sup> nationally), Business and Professional services (ranked 20<sup>th</sup> nationally) and Durable Goods Manufacturing (ranked 22<sup>nd</sup> nationally).



## APPENDIX I

### Data Tables Economic Specialization and Diversification by Aggregate Sector, 2000

STATE	Agriculture, forestry & fishing	Amusement Personal, Recreation, Repair Services	Business & Professional services	Communications	Construction	Durable goods	Finance, Insurance & Real Estate
Alabama	1.32	0.75	0.82	0.92	1.05	1.19	0.77
Alaska	1.14	0.73	0.56	0.94	0.98	0.08	0.53
Arizona	1.05	1.07	0.99	0.72	1.27	1.44	0.94
Arkansas	2.43	0.63	0.78	0.94	1.04	1.29	0.62
California	1.34	1.27	1.05	0.99	0.88	1.04	1.12
Colorado	0.99	1.20	1.06	2.61	1.42	0.63	0.88
Connecticut	0.50	0.93	1.06	0.79	0.75	1.13	1.52
Delaware	0.64	0.63	0.78	0.49	0.93	0.49	1.96
District of Columbia	0.03	1.61	1.83	1.12	0.21	0.03	0.69
Florida	1.25	1.23	1.12	1.09	1.15	0.43	1.09
Georgia	0.96	0.82	0.94	1.77	1.07	0.80	0.82
Hawaii	0.88	1.48	0.81	0.91	0.94	0.06	1.15
Idaho	3.70	0.93	0.69	0.65	1.40	1.92	0.60
Illinois	0.65	1.01	1.08	0.85	1.02	0.93	1.06
Indiana	0.85	0.74	0.81	0.46	1.10	2.33	0.68
Iowa	3.01	0.73	0.82	0.85	0.91	1.32	0.80
Kansas	1.90	0.77	0.82	2.44	1.01	0.95	0.67
Kentucky	1.66	0.63	0.80	0.53	1.00	1.74	0.59
Louisiana	0.68	0.87	0.77	0.68	1.03	0.38	0.71
Maine	1.41	0.84	1.00	0.68	1.01	0.76	0.95
Maryland	0.63	1.22	1.09	0.97	1.21	0.40	1.07
Massachusetts	0.40	1.16	1.34	0.68	0.94	0.95	1.26
Michigan	0.65	0.88	0.93	0.55	1.10	2.15	0.73
Minnesota	1.32	0.84	1.05	0.70	1.11	1.17	0.98
Mississippi	1.74	1.00	0.71	0.86	1.03	1.20	0.62
<b>Missouri</b>	<b>1.03</b>	<b>0.93</b>	<b>0.99</b>	<b>1.30</b>	<b>1.10</b>	<b>1.05</b>	<b>0.79</b>
Montana	2.85	1.01	0.94	0.81	1.20	0.44	0.72
Nebraska	3.23	0.72	0.99	0.71	1.04	0.85	0.80
Nevada	0.57	3.20	0.66	0.75	2.12	0.27	0.92
New Hampshire	0.52	0.84	0.98	0.51	0.93	1.63	1.25
New Jersey	0.39	1.12	0.99	1.29	0.84	0.38	1.21
New Mexico	1.41	1.08	0.70	0.75	0.90	1.59	0.68
New York	0.31	0.97	1.13	1.16	0.70	0.54	1.67
North Carolina	1.29	0.70	0.77	0.66	1.06	1.12	1.00
North Dakota	3.81	0.75	0.95	0.70	1.08	0.57	0.80
Ohio	0.68	0.76	0.91	0.65	0.97	1.74	0.84
Oklahoma	1.71	0.78	0.88	1.07	0.84	1.10	0.64
Oregon	1.89	0.75	0.86	0.67	1.15	2.44	0.73
Pennsylvania	0.70	0.88	1.12	0.83	0.94	1.00	0.96
Rhode Island	0.46	0.69	1.06	0.79	1.12	0.95	1.52
South Carolina	0.88	0.83	0.71	0.68	1.29	1.12	0.72
South Dakota	5.51	0.69	0.87	0.73	0.92	1.04	1.03
Tennessee	0.74	0.99	0.95	0.69	0.99	1.29	0.74
Texas	0.95	0.95	0.90	1.35	1.04	0.85	0.76
Utah	0.76	0.90	0.98	0.78	1.38	0.88	0.95
Vermont	1.60	1.10	0.99	0.75	0.97	1.36	0.91
Virginia	0.65	1.05	1.09	1.45	1.03	0.55	0.90
Washington	1.57	0.86	1.23	1.20	1.10	0.88	0.91
West Virginia	0.54	0.70	0.90	0.70	1.00	0.77	0.58
Wisconsin	1.20	0.68	0.91	0.57	1.04	1.65	0.81
Wyoming	1.72	0.64	0.46	0.63	1.13	0.15	0.61

Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.



STATE	Federal Governmen	Mining	Non-durable goods	Retail trade	State and Local Governmen	Transportation & utilities	Wholesale trade	Standardized Diversification Index
Alabama	1.59	0.94	1.25	1.13	1.19	1.13	0.96	1.21
Alaska	2.87	17.03	0.47	0.74	1.16	2.41	0.44	4.59
Arizona	1.02	0.57	0.37	1.17	0.99	0.93	0.96	0.96
Arkansas	0.99	0.55	1.58	1.29	1.09	1.41	0.97	1.83
California	0.73	0.54	0.70	1.00	0.97	0.77	0.96	0.74
Colorado	1.17	1.36	0.60	1.05	0.92	0.87	0.94	1.31
Connecticut	0.50	0.06	0.81	0.90	0.81	0.67	0.90	1.54
Delaware	0.71	0.00	1.61	0.79	0.82	0.69	0.60	2.91
District of Columbia	10.23	0.04	0.17	0.31	0.37	0.36	0.19	6.02
Florida	0.95	0.15	0.45	1.25	1.08	0.97	1.13	1.32
Georgia	1.25	0.30	1.42	1.02	0.91	1.14	1.32	1.19
Hawaii	3.83	0.08	0.37	1.22	1.07	1.38	0.56	2.60
Idaho	1.09	0.36	0.82	1.09	1.14	1.08	0.91	2.12
Illinois	0.68	0.18	1.08	0.90	0.91	1.17	1.17	0.67
Indiana	0.60	0.27	1.42	1.00	0.96	1.13	0.88	2.06
Iowa	0.63	0.18	1.51	0.99	1.20	1.14	1.04	1.50
Kansas	1.14	1.14	1.18	1.10	1.16	1.19	1.12	1.43
Kentucky	1.41	1.41	1.63	1.03	1.04	1.21	0.91	1.98
Louisiana	0.91	10.52	1.67	0.95	1.08	1.27	0.81	2.43
Maine	1.32	0.01	1.28	1.31	1.18	0.90	0.88	1.00
Maryland	2.68	0.06	0.66	0.97	1.03	0.89	0.90	1.42
Massachusetts	0.51	0.03	0.71	0.86	0.85	0.68	1.06	1.48
Michigan	0.42	0.21	1.01	1.03	1.06	0.91	1.07	1.56
Minnesota	0.59	0.29	1.04	1.03	0.96	1.01	1.16	0.63
Mississippi	1.55	0.89	1.34	1.20	1.34	1.29	0.86	1.69
<b>Missouri</b>	<b>0.99</b>	<b>0.19</b>	<b>1.32</b>	<b>1.06</b>	<b>0.98</b>	<b>1.20</b>	<b>1.07</b>	<b>0.77</b>
Montana	1.73	2.92	0.49	1.11	1.30	1.73	0.92	2.03
Nebraska	1.18	0.12	0.99	0.98	1.18	1.62	1.13	1.23
Nevada	0.75	1.46	0.25	1.18	0.92	1.06	0.67	2.98
New Hampshire	0.48	0.06	0.85	1.08	0.74	0.77	0.99	1.43
New Jersey	0.52	0.05	1.56	0.84	0.93	1.05	1.36	1.56
New Mexico	1.71	7.27	0.29	0.99	1.32	0.98	0.59	2.49
New York	0.49	0.06	0.80	0.76	0.99	0.75	0.86	1.98
North Carolina	1.12	0.14	2.06	0.95	1.02	0.87	0.87	1.21
North Dakota	1.64	2.94	0.51	1.09	1.09	1.42	1.26	1.84
Ohio	0.66	0.32	1.22	1.08	1.06	0.99	1.05	1.25
Oklahoma	1.80	4.39	0.92	1.13	1.21	1.13	0.86	1.62
Oregon	0.72	0.10	0.54	0.90	1.14	0.92	1.06	2.12
Pennsylvania	0.77	0.51	1.44	0.98	0.95	1.13	0.90	0.70
Rhode Island	1.05	0.02	0.54	0.99	0.96	0.77	0.75	1.50
South Carolina	1.32	0.12	1.63	1.18	1.31	1.32	0.92	1.75
South Dakota	1.35	0.42	0.53	1.11	0.99	1.02	0.97	1.20
Tennessee	1.11	0.24	1.27	1.24	0.95	1.52	1.10	1.22
Texas	0.89	4.87	0.89	1.04	0.95	1.35	1.14	1.20
Utah	1.39	1.38	0.67	1.12	1.15	1.17	0.92	0.86
Vermont	1.00	0.15	0.73	1.09	1.17	0.95	0.82	0.90
Virginia	2.89	0.31	1.07	0.94	0.99	0.86	0.85	1.25
Washington	1.29	0.17	0.62	1.10	1.07	0.94	1.03	1.00
West Virginia	1.39	5.30	1.35	1.12	1.38	1.60	0.78	2.13
Wisconsin	0.64	0.12	1.55	1.04	1.06	1.02	0.95	1.42
Wyoming	1.23	19.05	0.83	0.80	1.13	2.16	0.56	4.20

Source: Analysis by MERIC using data from the Bureau of Economic Analysis, US Department of Commerce.

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